

AN ORDINANCE 2006-03-23-0388

APPROPRIATING THE AMOUNT OF \$500,000.00 TO FUND PAYMENTS IN ACCORDANCE WITH THE SAN ANTONIO AIR SERVICE INCENTIVE PROGRAM, TO UNITED AIRLINES FOR ADVERTISING AND PROMOTIONAL EXPENSES RELATED TO THE AIR CARRIER'S INITIATION OF SIX NEW DAILY NON-STOP ROUTES, WITH ELEVEN SCHEDULED FREQUENCIES BETWEEN SAN ANTONIO AND COLORADO SPRINGS, CO; ALBUQUERQUE, NM, OKLAHOMA CITY, OK; TULSA, OK, OMAHA, NB; KANSAS CITY, KS; AND NEW ORLEANS, LA; AMENDING THE AIRPORT OPERATING FUND AND AUTHORIZING PAYMENT TO UNITED AIRLINES IN AN INITIAL AMOUNT OF \$350,000.00 AND AUTHORIZING A SECOND PAYMENT OF UP TO \$150,000.00 SIX MONTHS FOLLOWING THE COMMENCEMENT OF SERVICE, BASED UPON CONTINUED OPERATION OF FLIGHTS AND FREQUENCIES DURING THAT PERIOD, FOR A POTENTIAL TOTAL EXPENDITURE OF \$500,000.00

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WHEREAS, the San Antonio Air Service Incentive Program, ("Incentive Program") was presented to City Council in B-Session on October 25, 2001, and was developed as an overall effort by the City to increase air service to the San Antonio community; and

WHEREAS, the Incentive Program included financial support for advertising and promotional activities to any air carrier which introduced new daily non-stop flights from San Antonio to a previously unserved destination; and

WHEREAS, during February and March 2006, United Airlines initiated new daily non-stop flights to New Orleans, LA., Albuquerque, NM, Colorado Springs, CO, Omaha, NB, Oklahoma City, OK and Tulsa, OK, and Kansas City, MO, and in April of 2006, additional scheduled departures to Oklahoma City and Tulsa will be added; and

WHEREAS, it is now necessary to appropriate funds and authorize an initial payment of \$350,000.00 to United Airlines upon effectiveness of this Ordinance, and a second payment of an amount not to exceed \$150,000.00, six months following the commencement of service, based upon continued operation of flights and frequencies during that six month period, for a total amount not to exceed \$500,000.00, in support of its advertising and promotional efforts related to this new air service in accordance with the Incentive Program; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. Payment in an amount not to exceed \$500,000.00 is authorized to United Airlines for advertising and promotional efforts related to its new air service to Colorado Springs, CO; Albuquerque, NM, Oklahoma City, OK; Tulsa, OK, Omaha, NB; Kansas City, KS; and New Orleans, LA, and should be encumbered with a purchase order.

SECTION 2. Funds in the amount of \$50,000.00 are available as part of the FY06 budget in Fund 51001000, Aviation Operations and Maintenance, Cost Center 3301010002, Community Relations, General Ledger 5203040, Adv and Publications.

SECTION 3. The FY 2005-2006 Fiscal Year budget is amended to provide for an additional \$450,000.00 from 51001000, Aviation Operations and Maintenance, Cost Center 3301010002, Community Relations, General Ledger 5203040, Adv and Publications.

SECTION 4. The financial allocations in this Ordinance are subject to approval by the Acting Director of Finance, City of San Antonio. The Acting Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Fund Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 5. This Ordinance shall be effective on and after the tenth (10th) day after passage.

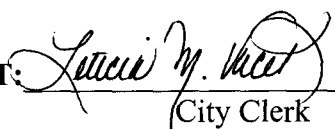
PASSED AND APPROVED this 23rd day of March 2006.



MAYOR

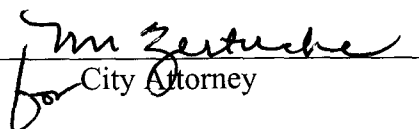
PHIL HARDBERGER

ATTEST:



City Clerk

APPROVED AS TO FORM:



City Attorney